

OFFER ONLY:

This offer is subject to the review and acceptance of Lessor's Finance Committee. The monthly rent payment specified above is based upon an equally maturing U.S. Treasury Note index of 3.12%. In the event this index rate increases prior to funding, this payment may be adjusted to reflect this change.

EXPIRATION DATE: 01/10/2005

Should this proposal meet your requirements, please sign below and return with the deposit check in the amount specified above. Although I will be in contact, please don't hesitate to call me at 800-496-4640 ext. 391 or e-mail me at [rmitchell@calfirstleasing.com](mailto:rmitchell@calfirstleasing.com).

Sincerely

Acknowledged and agreed to by:

Pellegrino Food Products

Rah-miel Mitchell  
Account Executive

Name: Tom Pelle  
Title: Pres.  
Date: 1-18-05

Mike Curtis  
Vice President  
California First Leasing Corporation

CalFirst Leasing is a wholly-owned subsidiary of California First National Bancorp ("CFNB"), and is an affiliate of California First National Bank, an FDIC-insured National Bank. CFNB is a public company with its stock traded on the NASDAQ National Market System under the symbol "CFNB".

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PELLEGRINO FOOD PRODUCTS

01/18/2005 15:54 FAX 814 723 3818

EXHIBIT

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ALL-STATE LEGAL SUPPLY CO.